

5/041035



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
RICHFIELD FIELD OFFICE
150 East 900 North
Richfield, Utah 84701



In Reply Refer To:

3600
(U-050)
UTU-79911

September 2, 2004

Mr. Steven Sorenson
KSC Rocks
235 North Main
Kanosh, UT 84637

RECEIVED

SEP 07 2004

RE: Authorization of an Exploration Permit, UTU-79911

DIV. OF OIL, GAS & MINING

Dear Steve:

You have proposed to test a stone deposit and subsequently extract and remove stone at T. 26 S., R. 4 W., section 24, E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, SLM, Sevier County, Utah. Your testing proposal described the excavation of three trenches with each being approximately 40 feet in length and 4 feet wide. The purpose of the testing is to sample the stone material for quality and to determine if the site has sufficient quantity of stone material for your use.

An environmental review under the Federal regulations has been completed by the Bureau of Land Management (BLM), and you are authorized to sample and test the material as you have proposed. You are authorized to remove 100 pounds of stone material from the site for your sampling. This exploration permit is subject to the attached Conditions of Approval, and this authorization for testing will expire on November 5, 2004. Your samples and the trenches should be available for inspection and verification of the quantity and quality of the stone material by the BLM.

When you have completed the trenching as proposed and evaluated the suitability of the subject stone in terms of the quantity that may be in place and the quality as being satisfactory for your proposed use, then you should contact this office. If you wish to continue to extract and remove stone, you will need to propose a sale under the federal regulations at 43 CFR 3600. We do not anticipate the need for any further environmental review at that time, unless your proposal for a sale is considerably different from what you have verbally discussed with us. If the trenching and sampling indicates that the material is unsatisfactory, then you should reclaim the site in accordance with the enclosed Conditions of Approval.

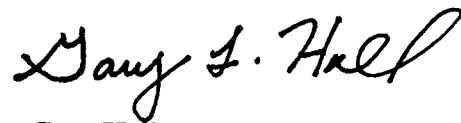
We acknowledge the reclamation bond in the form of Certificate of Deposit No. 9201319366 in the amount of \$2,000.00 with Wells Fargo Bank, N.A. This bond is available to the State of

Utah, Division of Oil, Gas, and Mining and to the United States Department of the Interior, Bureau of Land Management as a surety to guarantee reclamation at the subject site.

As a note of clarification, both UDOGM and BLM has approval authority with respect to mineral- or mining-related operations on public lands administered by the BLM. Approval is necessary by both agencies, before you may proceed with any proposed, surface-disturbing activities or activities involving the removal of mineral materials.

If you have any questions or need any assistance, please contact Michael Jackson at (435) 896-1522.

Sincerely,

A handwritten signature in black ink that reads "Gary L. Hall". The signature is written in a cursive, flowing style.

Gary Hall
Assistant Field Manager

Enclosure: Conditions of Approval

cc: Lynn Kunzler, Division of Oil, Gas, and Mining, State of Utah, Box 145801, Salt Lake City, Utah 84114-5801 (S/031/035)